

AMENDED IN ASSEMBLY AUGUST 31, 2009

AMENDED IN ASSEMBLY JULY 23, 2009

AMENDED IN SENATE MAY 21, 2009

SENATE BILL

No. 178

Introduced by Senator Aanestad

February 17, 2009

An act to add Section 14673.9 to the Government Code, relating to state property, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 178, as amended, Aanestad. State property: Department of Forestry and Fire Protection.

Existing law authorizes the Director of General Services to acquire and convey real property for the state, whenever that transfer of the real property is authorized or contemplated by law.

This bill would authorize the director to sell, exchange, lease, as defined, or any combination thereof, all or a portion of the Cypress Property, approximately 3 acres of real property in the City of Redding, currently used by the Department of Forestry and Fire Protection as its Shasta-Trinity Unit Headquarters, that is specifically declared not to be surplus to the needs of the state. The bill would require the director to use the proceeds of any sale, exchange, lease, or combination thereof of all or a portion of the Cypress Property to acquire or lease a substitute location and substitute facilities for the Shasta-Trinity Unit Headquarters, thereby making an appropriation. The bill would require the state to retain ownership of the portion of the Cypress Property where the telecommunications tower and the vault are located. The bill would prohibit the director from disposing of that portion of the Cypress

Property, unless the director makes a specified determination. ~~The bill would require the Department of Forestry and Fire Protection to transfer funds from its support budget to the Department of General Services for any cost or expense incurred by the Department of General Services in the disposition of the Cypress Property and in the relocation, construction, or acquisition of the substitute location and facilities for the Shasta-Trinity Unit Headquarters.~~ The bill would authorize the director to enter into one or more agreements, contracts, or leases to provide a substitute location and substitute facilities for the Shasta-Trinity Unit Headquarters, but would also require the director to provide for the continuous operation of the ~~state's facilities~~ *Shasta-Trinity Unit Headquarters* at the Cypress Property until relocation is accomplished. The bill would require the director to initially offer the Cypress Property for disposition, subject to specified terms and conditions, to the City of Redding. The bill would authorize the director to offer the Cypress Property to the public through a competitive selection process determined by the director to be in the best interest of the state, if the City of Redding is unable to enter an agreement for the disposition of the Cypress Property, consistent with the requirements of the initial offer and within 120 days after notice from the Department of General Services. The bill would provide that any use or redevelopment of the Cypress Property awarded to a nongovernmental entity not involving the exercise of sovereign activities of the state or another government agency would be subject to the zoning and building code regulations of the City of Redding. The bill would require the Department of General Services to notify the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee in writing of the director's intention to enter into a lease or an agreement not less than the minimum time that the Chairperson of the Joint Legislative Budget Committee is authorized to determine in each instance.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14673.9 is added to the Government
- 2 Code, to read:

1 14673.9. (a) The Legislature finds and declares all of the
2 following:

3 (1) The state owns approximately three acres of real property
4 located at 875 Cypress Avenue in the City of Redding, currently
5 used by the Department of Forestry and Fire Protection as its
6 Shasta-Trinity Unit Headquarters.

7 (2) For purposes of this section, the real property described in
8 paragraph (1) shall be referred to as the “Cypress Property.”

9 (3) The Shasta-Trinity Unit of the department has outgrown the
10 deteriorating facilities on the Cypress Property.

11 (4) The department has other operations in the area, and
12 relocating, consolidating, and expanding the operations of the
13 Shasta-Trinity Unit will facilitate and improve the efficiency of
14 the department and better protect the health and safety of the
15 residents of the state.

16 (5) The Cypress Property may be sold, exchanged, leased, or
17 any combination thereof and the proceeds may be used to carry
18 out the intent of the Legislature to consolidate or expand the
19 operations of the Shasta-Trinity Unit of the Department of Forestry
20 and Fire Protection to protect the health and safety of the people.

21 (6) The disposition of the Cypress Property authorized by this
22 section does not constitute a sale or other disposition of surplus
23 state property within the meaning of Section 9 of Article III of the
24 California Constitution or subdivision (g) of Section 11011.

25 (b) The Director of General Services may sell, exchange, lease,
26 or any combination thereof, all or a portion of the Cypress Property.
27 The director shall use the proceeds of any sale, exchange, lease,
28 or any combination thereof made pursuant to this subdivision to
29 acquire the land and facilities described in subdivision (h).

30 (c) Notwithstanding subdivision (b), because the
31 telecommunications tower and vault are critically located on the
32 Cypress Property for state operations, the state shall retain
33 ownership of the portion of the Cypress Property where the
34 telecommunications tower and vault are located, and the Director
35 of General Services shall not dispose of that portion of the Cypress
36 Property, as otherwise authorized by subdivision (b), unless the
37 director determines that the telecommunications tower and vault
38 can be relocated to another site with equivalent utility as part of
39 the cost of the relocation authorized pursuant to subdivision (b).

(d) The director shall initially offer the Cypress Property for disposition, pursuant to the authorization described in subdivision (b), to the City of Redding for purposes of a local government-owned facility, and under terms and conditions that provide for continuous ~~operation of the operations of the~~ *Shasta-Trinity Unit Headquarters at the state's Cypress Property* facilities ~~at the Cypress Property~~ until relocation is accomplished. If the City of Redding is unable to enter into an agreement for the disposition of the Cypress Property within 120 days after notice from the Department of General Services, the director may offer the Cypress Property for disposition, as described in subdivision (b), to the public through a competitive selection process determined by the director to be in the best interest of the state.

(e) Any exchange, lease, or sale of properties carried out pursuant to this section shall be for no less than fair market value, as determined by an independent appraisal ~~approved by the Department of General Services~~ or pursuant to a competitive selection process *approved by the Department of General Services*. Compensation for the Cypress Property may include land, or a combination of land, improvements, and money.

(f) The Department of General Services shall be reimbursed for any reasonable cost or expense for the transactions described in ~~this section from the proceeds of the sale, lease, exchange, or combination thereof of the Cypress Property. The Department of Forestry and Fire Protection shall transfer funds from its support budget to the Department of General Services for any cost or expense incurred by the Department of General Services in the disposition of the Cypress Property and in the relocation, construction, or acquisition of the substitute location and facilities identified in subdivision (h).~~ *this section for the sale, lease, exchange, or combination thereof of the Cypress Property in accordance with existing policies and procedures.*

(g) For purposes of this section, the Cypress Property shall not be subject to the provisions of Section 11011.1 or Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.

(h) The director may enter into one or more agreements, contracts, or leases to provide a substitute location and substitute facilities for the Shasta-Trinity Unit Headquarters, but shall provide

1 for the continuous operation of the state's facilities at the Cypress
2 Property until relocation is accomplished.

3 (i) (1) Any funds received from the sale, exchange, lease, or
4 combination thereof of all or a portion of the Cypress Property
5 authorized by this section shall be held in trust and used only for
6 the acquisition, lease, lease-purchase, lease with option to purchase,
7 or lease-purchase finance of the land and facilities identified in
8 subdivision (h) and are hereby appropriated to the Department of
9 General Services for expenditure for the purposes of this
10 subdivision.

11 (2) For purposes of this section, the term "lease" or "leases"
12 means a lease, or the selection and acquisition of a lease-purchase,
13 lease-purchase finance, or lease with an option to purchase.

14 (j) (1) Notwithstanding Section 14669, if the City of Redding
15 fails to enter into an agreement for the disposition of the Cypress
16 Property, the Department of General Services shall advertise the
17 availability of the Cypress Property and award the sale, lease,
18 exchange, or any combination thereof, of all or a portion of the
19 Cypress Property to the proposer offering to provide a building or
20 buildings that meet the state's requirements if the director
21 determines that the sale, lease, exchange, or any combination
22 thereof to be in the best interest of the state. The director may also
23 lease all or part of the Cypress Property for a period not to exceed
24 66 years.

25 (2) Any use or redevelopment of the Cypress Property awarded
26 to a nongovernmental entity pursuant to this section and not
27 involving the exercise of sovereign activities of the state or another
28 government agency shall be subject to the zoning and building
29 code regulations of the City of Redding.

30 (k) (1) The Department of General Services shall develop the
31 terms and conditions of any disposition agreement regarding the
32 Cypress Property, and provide them to the Department of Finance
33 for review prior to soliciting bids. The Department of General
34 Services shall obtain approval from the Department of Finance
35 prior to the execution of any disposition agreement regarding the
36 Cypress Property.

37 (2) The Department of General Services shall notify the
38 chairperson of the committee in each house of the Legislature that
39 considers appropriations and the Chairperson of the Joint
40 Legislative Budget Committee, or his or her designee, in writing

- 1 of the director's intention to enter into a lease or an agreement,
- 2 not less than the minimum time that the Chairperson of the Joint
- 3 Legislative Budget Committee, or his or her designee, may in each
- 4 instance determine.

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